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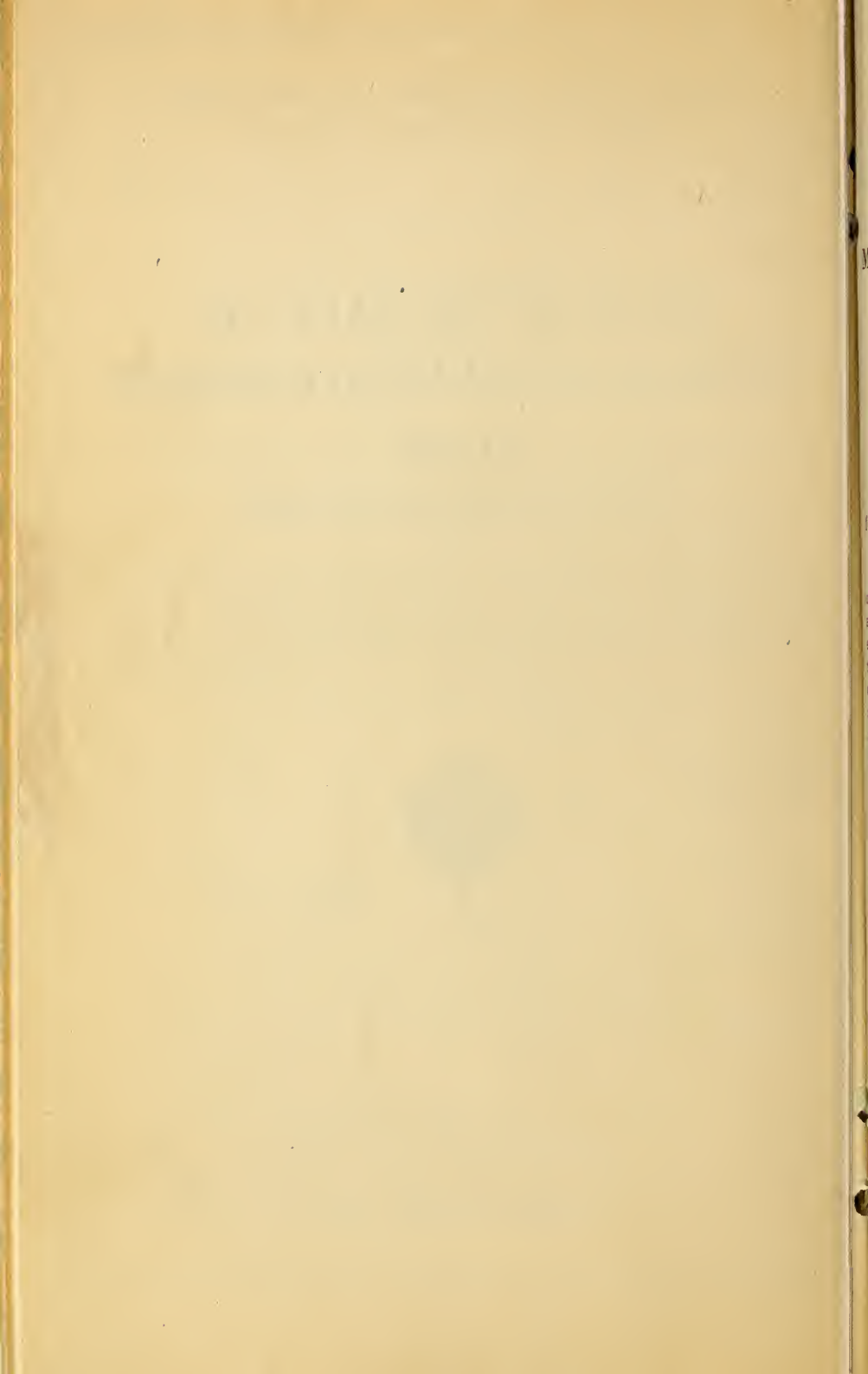
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UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY—Circular No. 78

METHOD OF SALE OF
NITRATE OF SODA TO FARMERS
BY THE
UNITED STATES GOVERNMENT



WASHINGTON, JANUARY 1918



METHOD OF SALE OF NITRATE OF SODA TO FARMERS BY THE UNITED STATES GOVERNMENT.

AUTHORITY FOR ACTION.

Section 27 of the Food Control Act (Public No. 41, 65th Congress) is as follows:

Sec. 27. That the President is authorized to procure, or aid in procuring, such stocks of nitrate of soda as he may determine to be necessary, and find available, for increasing agricultural production during the calendar years nineteen hundred and seventeen and eighteen, and to dispose of the same for cash at cost, including all expenses connected therewith. For carrying out the purposes of this section, there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended, the sum of \$10,000,000, or so much thereof as may be necessary, and the President is authorized to make such regulations, and to use such means and agencies of the Government, as, in his discretion, he may deem best. The proceeds arising from the disposition of the nitrate of soda shall go into the Treasury as miscellaneous receipts.

Under the authority of this section the President designated the War Industries Board to make arrangements for the purchase of the nitrate of soda and designated the Secretary of Agriculture to sell it to farmers. The War Industries Board has arranged for the purchase of about 100,000 tons of nitrate to be delivered during the months from January to June, 1918, inclusive, and the Secretary of Agriculture announces the following plan for its sale and distribution.

PLAN OF PROCEDURE.

SECTION 1. PUBLICITY.

Paragraph 1. It will be impossible to make a personal canvass of the farmers to ascertain their needs for nitrate and to arrange for its sale to them. However, copies of this circular will be distributed by the county agricultural agent and the members of the local committee provided for in Section 3, notices calling attention to the sale of nitrate will appear in newspapers,

and posters calling attention to the sale of nitrate will be placed at different points in the county. By all of these methods farmers will be directed to the persons with whom they can definitely place their applications for nitrate. At the discretion of the county agricultural agent and the local committee provided for in Section 3, public meetings may be held in each county, at which meetings the county agricultural agent or members of the local committee will explain the plan for the sale and distribution of nitrate.

SECTION 2. PURCHASES AND PRICE OF NITRATE.

Paragraph 1. No nitrate will be sold to dealers. Nitrate will be sold to farmers only and for cash at cost. Land holders or owners desiring to purchase nitrate for use on their lands by their tenants will be held to be included in the term "farmers" as here used.

Paragraph 2. The price of the nitrate to the farmers will be \$75.50 per ton of 2,000 pounds, free on board cars at port of arrival. This price includes, in addition to the *ex vessel* cost of the nitrate, all charges at the port of arrival, such as wharfage, handling, sacking, weighing and loading on the cars, and other expenses necessarily incurred in procuring and disposing of the nitrate. In addition to this price the farmer will have to pay the freight from the port of arrival to his shipping point and the State fertilizer tag fee, which varies in the different States. For example, if the freight from the port of arrival to a farmer's shipping point is \$1.50 per ton, and the State fertilizer tag fee in that particular State is 25 cents per ton, the total cost of a ton of nitrate delivered in the cars on unloading tracks at that shipping point will be \$77.25. It is to be understood of course that the farmer will provide for unloading the nitrate from the cars at his shipping point and removing it to his farm.

Paragraph 3. The nitrate will arrive at the following ports: Savannah, Charleston, Wilmington, Norfolk and Baltimore. Arrangements may be made for shipments to additional ports if found necessary. Every effort will be made to ship nitrate to each farmer from the port most convenient to him so as to make the freight charge as small as possible.

SECTION 3. AGENCIES TO RECEIVE APPLICATIONS FOR NITRATE.

Paragraph 1. Farmers desiring to purchase nitrate must file their applications with the county agricultural agent or with some member of the local committee appointed in accordance with this section. In any county having more than one county agricultural agent, the State Director of Extension may designate any number or all of such agents to perform the duties assigned to the county agricultural agents by this circular.

Paragraph 2. In each county in which there is a county agricultural agent, such agent will appoint a committee of three or more local business men to assist him in the sale of nitrate. These men will be appointed from different parts of the county so that they may be easily accessible to the farmers and their names will be announced in local newspapers and on posters at various points in the county. When desirable to facilitate the sale and distribution of nitrate, the State Director of Extension may appoint an additional committee to arrange for such sale and distribution and may direct their activities.

Paragraph 3. In each county in which there is no county agricultural agent, a committee of three or more local business men nevertheless will be appointed to arrange for the sale of the nitrate. The chairman of such committee will perform the duties assigned to the county agricultural agent by this circular. A farmer living in such county and desiring to make application for nitrate should, if he does not know the members of the local committee for his county, address an inquiry to the State Director of Extension for his State. The post office address of the State Director of Extension for each State is given in Section 7 of this circular.

SECTION 4. APPLICATIONS FOR NITRATE.

Paragraph 1. The county agricultural agent and the members of the local committee will be provided with copies of application blanks to be filled out and signed by farmers. Following is the form of this application blank:

APPLICATION FOR NITRATE OF SODA.

..... 1918.

To the Secretary of Agriculture:

I hereby make application, under the terms of Section 27 of the Food Control Act (Public No. 41, 65th Congress), for nitrate of soda for use on my farm *during the calendar year 1918*, subject to the following terms and conditions:

(1) I am a farmer.

(2) I will use on my farm any nitrate sold to me as a result of this application and I will not resell any of such nitrate except as a land holder or owner to my tenants for use on my land, and then not at a price exceeding the actual cost of the nitrate to me.

(3) This application shall be binding upon me for the quantity of nitrate applied for, or any part of it that may be allotted to me by the Federal Government. The Federal Government reserves the right to allot to me a smaller quantity of nitrate than that herein applied for, or to reject my application altogether for good cause, and assumes no liability for non-delivery to me of nitrate of soda in accordance with this application.

(4) The Federal Government reserves the right, if it should become essential for the conservation of car space, to make shipments of nitrate in carload lots only.

(5) I desire the quantity of nitrate stated below for use on my crops as follows:

(7) I will pay for the nitrate herein applied for, or any portion of it that may be allotted to me by the Federal Government, at the rate of \$75.50 per ton of 2,000 pounds, free on board cars at the port of arrival. I will pay, in addition, the State fertilizer tag fee and the freight charges to my shipping point.

(8) Upon notice from the county agricultural agent I will deposit with a bank, association or individual designated by the Secretary of Agriculture to act as my agent for the purpose, a sum of money for transmission to Washington sufficient to pay the above specified price of the nitrate free on board cars at the port of arrival, and the State fertilizer tag fee. I will pay the freight charges to the authorized agent of the railroad or railroads over which the nitrate is shipped.

(9) In case it shall be found that it is not practicable to ship any part of the nitrate covered by this application from the port of arrival so as to reach my shipping point in the ordinary course of transportation in time for use as specified in this application, the Federal Government will notify me, and I will have the option, by notifying the county agricultural agent within one day after receipt of such notice, to withdraw my application to the extent of such part of the nitrate. In case I so notify the county agricultural agent, the amount of money theretofore deposited to pay for the nitrate of soda not shipped will be refunded to me. In case I do not so notify the county agricultural agent the nitrate may be shipped at a later date.

(10) In case there should be in my county a local committee acting independently of the county agricultural agent in the sale of nitrates, or in case there should be no county agricultural agent in my county, the chairman of a local committee appointed for the purpose may be substituted for the county agricultural agent for the purposes of subdivisions 8 and 9 of this application.

Signature of Farmer.....County.....

Post Office.....Shipping Point.....

State.....

Signature of County Agricultural Agent submitting this application to the Secretary of

AgriculturePost Office.....

County State.....

The county agricultural agent and local committee will check the line indicating their recommendation.

Check here.		Remarks.
.....	Approved
.....	Disapproved
.....	Excessive

If application is excessive what quantity would be normal for the applicant?.....
.....

LEAVE THIS SPACE BLANK.

Allotted.....tons.

Paragraph 2. Particular attention is called to—

(a) The statement that the farmer will use nitrate sold to him on his farm and that he will not resell any such nitrate except as a land holder or owner to his tenants for use on his land, and then not at a price exceeding the actual cost to him. As stated in Paragraph 1 of Section 2, nitrate sold by the Government is not intended to come into the hands of dealers, but to be used by the farmers purchasing it.

(b) The statement of the month or months in which it is desired to use the nitrate and the latest dates on which it can be used. Every effort will be made to deliver the nitrate in time for its use as specified in the application. Nitrate for certain crops will be needed earlier in the season than nitrate for certain other crops, and so farmers are requested not to specify earlier dates than necessary.

(c) The statement that the farmer is not applying for a greater quantity of nitrate per acre than the average quantity normally used by farmers in his county. It is the purpose of the Government that the nitrate shall be sold and distributed in such manner as to meet, so far as the supply will allow, the normal needs of farmers. It is, therefore, important that no farmer shall apply for an excessive quantity, since to sell to any farmer a greater quantity than his normal requirements might deprive some other farmer of the portion to which he is entitled.

(d) The statement of the total quantity applied for. For convenience in handling and distribution, all nitrate will be shipped in bags of 200 pounds each. In the application, therefore, the total quantity of nitrate applied for should be stated in terms of tons and tenths of a ton.

(e) The statement that the application shall be binding upon the farmer for the quantity of nitrate applied for or any part of it that may be allotted to him by the Government. The Government, however, expressly reserves the right to allot to the farmer a smaller quantity of nitrate than that which he applies for, or to reject his application entirely for good cause. If the total quantity of nitrate applied for by farmers exceeds the quantity for sale by the Government, it will be necessary, in fairness to those making application, to allot the nitrate to those applying for it so that all may participate on equal terms in its distribution. It is therefore necessary that the Government reserve the right to allot to each farmer a smaller quantity of nitrate than that which he applied for. If it is found that any applicant is seeking nitrate for any purpose other than for use on his farm, or that he is not, or will not be, financially able to meet the payment required, or that the application ought to be rejected for any other good and sufficient cause, it will be rejected.

(f) The statement that the Federal Government reserves the right, if it should become essential for the conservation of car space, to make shipments of nitrate in carload lots only. This does not mean that applications for less than a carload lot will not be granted. However, it will

be to the advantage of farmers desiring individually less than a carload but desiring in the aggregate as much as a carload to club together and order their nitrate so that it can be shipped in one car to one shipping point. Freight rates for carload lots are lower than freight rates for less than carload lots even when it is possible to secure delivery in less than carload lots. Besides, delivery in carload lots is usually made more quickly than delivery in less than carload lots. In addition, shipping in carload lots will contribute to the conservation of car space, which is now absolutely necessary. So it is to the advantage of farmers from every standpoint, as well as their patriotic duty, to have their nitrate shipped in carload lots.

(g) The statement by the farmer that upon notice from the county agricultural agent he will deposit with a local bank, association, or individual, a sum of money sufficient to pay for the nitrate, free on board cars at the port of arrival and the State fertilizer tag fee. As pointed out above, the law requires that the nitrate shall be sold for cash. On account of the inconvenience that would arise from a large number of individual remittances to Washington in payment for nitrate, some local bank, association, or individual will be designated by the Secretary of Agriculture to act as the farmers' agent to receive money in payment for nitrate and to transmit it to Washington.

(h) The statement that the farmer will pay the freight charges to the authorized agent of the railroad or railroads over which the nitrate is shipped. If the nitrate is to be shipped to other than a prepay station, the farmer may pay the freight charges to the authorized agent of the railroad delivering the nitrate. If the nitrate is to be shipped to a prepay station, the county agricultural agent will cooperate with the farmer in ascertaining the freight charges due and in transmitting the funds in payment for same. The farmer may give to the county agricultural agent a postoffice or express money order or a certified check, payable to the railroad forwarding the nitrate from the port, or its agent, such money order or check to be transmitted by the county agent to the representative of the Secretary of Agriculture at the port, to be delivered by him to the railroad forwarding the nitrate, or its agent.

(i) The statement granting the farmer the privilege of withdrawing his application to the extent of any part of the nitrate applied for in case it be found that it is not practicable to ship such part of the nitrate from the port of arrival so as to reach him, in the ordinary course of transportation, in time for use as specified in his application, and providing for refunding to him the amount of money theretofore deposited to pay for such nitrate. The justice of allowing the farmer to withdraw his application for nitrate that will not reach him in time for use is clearly apparent.

Paragraph 3. All applications must be signed in duplicate and must reach the county agricultural agent or a member of the local committee

by February 4, 1918. All applications received up to and including that date, regardless of the order in which they are received, will have equal consideration.

Paragraph 4. On the following day the county agricultural agent and the local committee will meet and will carefully examine all applications submitted and mark them, in the manner and in the space indicated upon the application blank, as follows:

(a) "Approved"—Each application which in their judgment should be granted in its entirety;

(b) "Disapproved"—Each application, if any, with reference to which it is found that the applicant is seeking nitrate for any purpose other than for use on his farm; or with reference to which it is found that the applicant is not or will not be financially able to meet the payments required; or with reference to which it is found that there is any other good and sufficient cause for disapproval. In any such case a detailed statement of reasons will be stated on the application blank or an accompanying paper;

(c) "Excessive"—Each application, if any, with reference to which it is found that the quantity applied for is in excess of the quantity which would be normal for the farmer making the application. A notation of such normal quantity will be made upon each such "Excessive" application. In deciding whether any application is excessive, the county agricultural agent and the local committee will be guided by their knowledge of the average quantity normally used in their county by farmers upon the kind or kinds of crops upon which the farmer applying for nitrate proposes to use it.

Paragraph 5. When all applications for the county have been examined and marked as provided in Paragraph 4 of this section, the county agricultural agent will immediately return one copy of the application of each farmer to Washington and will retain the other copy until he has received from Washington notification of the allotment made to each farmer in accordance with Section 5. Upon receipt of such notification of allotment the county agricultural agent will make a notation of the allotment to each farmer in the space provided for that purpose on the copy of the application retained by him, and will then deposit all such copies of applications for his county with the agency designated in accordance with Section 6 for receiving money from farmers and transmitting it to Washington.

SECTION 5. ALLOTMENT OF NITRATE.

Paragraph 1. When all applications have been received in Washington, applications with reference to which it is found that the applicants are seeking nitrate for any purpose other than for use on their farms, or with reference to which it is found that the applicants are not or will not be financially able to meet the payments required, or with reference to which it is found that there is any other good and sufficient cause for rejection, will be rejected; and

applications for excessive quantities may be reduced. If, after such rejections and reductions are made, the total quantity of nitrate applied for exceeds the available supply for sale by the Government, an allotment of a proportionately smaller quantity to each farmer will be made.

Paragraph 2. As soon as allotments are made they will be reported to the county agricultural agent and to the agency designated under Section 6 for receiving money from farmers and transmitting it to Washington. The county agricultural agent will at once notify each farmer as to the quantity allotted to him. This notice of allotment will also instruct the farmer as to when and with what agency designated under Section 6 he must deposit money, in accordance with the agreement in his application, to pay for the nitrate allotted to him.

SECTION 6. AGENCY FOR RECEIVING MONEY AND TRANSMITTING IT TO WASHINGTON.

Paragraph 1. Some bank, association or individual in each county will be designated by the Secretary of Agriculture to act as the farmers' agent to receive money from farmers for nitrate and to transmit the same to Washington. The county agricultural agent, after noting upon the copies of the applications retained by him in accordance with Paragraph 5 of Section 4 the allotment made to each farmer, will deposit such copies with this agency.

Paragraph 2. Upon receipt of the notice provided for in Paragraph 2 of Section 5, the farmer must deposit with this agency, according to the instructions contained in such notice, the money in payment for the nitrate allotted to him, except the freight charge.

Paragraph 3. In transmitting money to Washington this agency will make no remittance covering a fractional part of the nitrate to be shipped in any one car, but will make one remittance for the nitrate shipped in each car. Each remittance will be accompanied by shipping instructions for the nitrate covered by it and by a list of the farmers who are to receive nitrate from the car and the quantity of nitrate each is to so receive.

SECTION 7. MISCELLANEOUS.

Paragraph 1. Following is a list of the addresses of the Directors of Extension in the various States:

Alabama, Auburn; Arizona, Tucson; Arkansas, Little Rock; California, Berkeley; Colorado, Fort Collins; Connecticut, Storrs; Delaware, Newark; Florida, Gainesville; Georgia, Athens; Idaho, Boise; Illinois, Urbana; Indiana, Lafayette; Iowa, Ames; Kansas, Manhattan; Kentucky, Lexington; Louisiana, Baton Rouge; Maine, Orono; Maryland, College Park; Massachusetts, Amherst; Michigan, East Lansing; Mississippi, Agricultural College; Missouri, Columbia; Montana, Bozeman; Nebraska, Lincoln; Nevada, Reno; New Hampshire, Durham; New Jersey, New Brunswick; New Mexico, State College; New York, Ithaca; North Carolina, Raleigh; North Dakota, Agricultural College; Ohio, Columbus; Oklahoma, Stillwater; Oregon, Corvallis; Pennsylvania, State College; Rhode Island, Kingston; South Carolina, Clemson College; South Dakota, Brookings; Tennessee, Knoxville; Texas, College Station; Utah, Logan; Vermont, Burlington; Virginia, Blacksburg; Washington, Pullman; West Virginia, Morgantown; Wisconsin, Madison; and Wyoming, Laramie.

